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FISCAL IMPACT STATEMENT

LS 6655

BILL NUMBER: HB 1035

NOTE PREPARED: Dec 30, 2012

BILL AMENDED:

SUBJECT: Nonjurisdictional Municipal Utilities.

FIRST AUTHOR: Rep. Devon

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill legalizes and validates the removal from the jurisdiction of the Utility Regulatory Commission (IURC) of an electric utility owned and operated by a second class city that, before January 1, 2013, followed certain statutory procedures to remove the electric utility from IURC jurisdiction.

Effective Date: January 1, 2013 (retroactive).

Explanation of State Expenditures: See *Explanation of Local Expenditures*.

Explanation of State Revenues:

Explanation of Local Expenditures: The fiscal impact would be minimal. Under current law, a water utility owned or operated by a second class city may be removed from the jurisdiction of the IURC if the municipal legislative body adopts an ordinance authorizing the removal. The current statute does not apply to a municipal electric utility.

There is currently one municipal electric utility that would be impacted by this bill. The Mishawaka Electric Utility has completed the steps for withdrawal from the IURC's jurisdiction. This bill validates the action of the municipal legislative body.

Explanation of Local Revenues:

State Agencies Affected: IURC.

Local Agencies Affected: Municipal electric utilities in second class cities.

Information Sources:

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